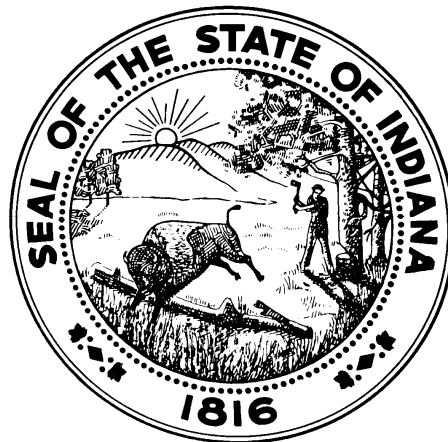


**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT  
OF

AVON-WASHINGTON TOWNSHIP  
PUBLIC LIBRARY  
HENDRICKS COUNTY, INDIANA

January 1, 2006 to December 31, 2007



**FILED**  
07/15/2008



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## OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Laurel Setser	01-01-06 to 12-31-08
Treasurer	Celisa Snyder	01-01-06 to 12-31-08
President of the Board	David Sinclair	01-01-06 to 12-31-08



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Fax: (317) 232-4711  
Web Site: [www.in.gov/sboa](http://www.in.gov/sboa)

**INDEPENDENT ACCOUNTANT'S REPORT**

TO: THE OFFICIALS OF THE AVON-WASHINGTON TOWNSHIP  
PUBLIC LIBRARY, HENDRICKS COUNTY, INDIANA

We have examined the financial information presented herein of the Avon-Washington Township Public Library (Library), for the period of January 1, 2006 to December 31, 2007. The Library's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the Library for the years ended December 31, 2006 and 2007, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Long-Term Debt, as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. It has not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on it.

STATE BOARD OF ACCOUNTS

May 29, 2008

AVON-WASHINGTON TOWNSHIP PUBLIC LIBRARY  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL AND FIDUCIARY FUND TYPES  
As Of And For The Years Ended December 31, 2006 And 2007

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 144,166	\$ 1,067,686	\$ 1,045,212	\$ 166,640
Gift	305	3,687	3,609	383
Restricted	8,391	21,058	12,646	16,803
State Technology Fund Grant	-	5,400	1,800	3,600
Rainy Day	59,916	21,595	21,403	60,108
Bond and Interest Redemption	267,486	475,863	518,232	225,117
Library Improvement Reserve	56,628	3,000	-	59,628
Library Capital Projects	121,826	143,411	111,666	153,571
Construction	467,407	10,896	93,530	384,773
Fiduciary Funds:				
Payroll Withholdings	1,224	14,377	15,342	259
PLAC	168	468	574	62
Totals	<u>\$ 1,127,517</u>	<u>\$ 1,767,441</u>	<u>\$ 1,824,014</u>	<u>\$ 1,070,944</u>

	Cash and Investments 01-01-07	Receipts	Disbursements	Cash and Investments 12-31-07
Governmental Funds:				
General	\$ 166,640	\$ 1,119,792	\$ 1,005,169	\$ 281,263
Gift	383	11,988	8,763	3,608
Restricted	16,803	40,113	22,622	34,294
State Technology Fund Grant	3,600	5,400	3,600	5,400
Rainy Day	60,108	23,944	6,869	77,183
Bond and Interest Redemption	225,117	559,963	516,909	268,171
Library Improvement Reserve	59,628	3,000	-	62,628
Library Capital Projects	153,571	227,082	199,688	180,965
Construction	384,773	-	97,924	286,849
Fiduciary Funds:				
Payroll Withholdings	259	18,975	18,521	713
PLAC	62	570	392	240
Totals	<u>\$ 1,070,944</u>	<u>\$ 2,010,827</u>	<u>\$ 1,880,457</u>	<u>\$ 1,201,314</u>

The accompanying notes are an integral part of the financial information.

AVON-WASHINGTON TOWNSHIP PUBLIC LIBRARY  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Library was established under the laws of the State of Indiana. The Library provides the following services: culture and recreation, and general administrative services.

Note 2. Fund Accounting

The Library uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Library in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Library on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Library to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

AVON-WASHINGTON TOWNSHIP PUBLIC LIBRARY  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Library contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and give the Library authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund  
Harrison Building, Room 800  
143 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

Note 7. Subsequent Event

The Library sold tax anticipation warrants in the amount of \$49,595 under the Indiana Bond Bank's 2008 Advance Funding Program.



AVON-WASHINGTON TOWNSHIP PUBLIC LIBRARY  
SUPPLEMENTARY INFORMATION  
SCHEDULE OF LONG-TERM DEBT  
December 31, 2007

The Library has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental Activities:		
Bonds payable:		
General obligation bonds:		
Bond 2003 for Building	\$ 1,195,000	\$ 174,984
Refunding Bond of 2005 for Building	2,390,000	355,061
	-	-
Total governmental activities debt	<u>\$ 3,585,000</u>	<u>\$ 530,045</u>

AVON-WASHINGTON TOWNSHIP PUBLIC LIBRARY  
EXIT CONFERENCE

The contents of this report were discussed on June 11, 2008, with Laurel Setser, Director; David Sinclair, President of the Board; and Diane Elmore, Financial Manager. Our examination disclosed no material items that warrant comment at this time.